

CAPITAL IMPROVEMENTS

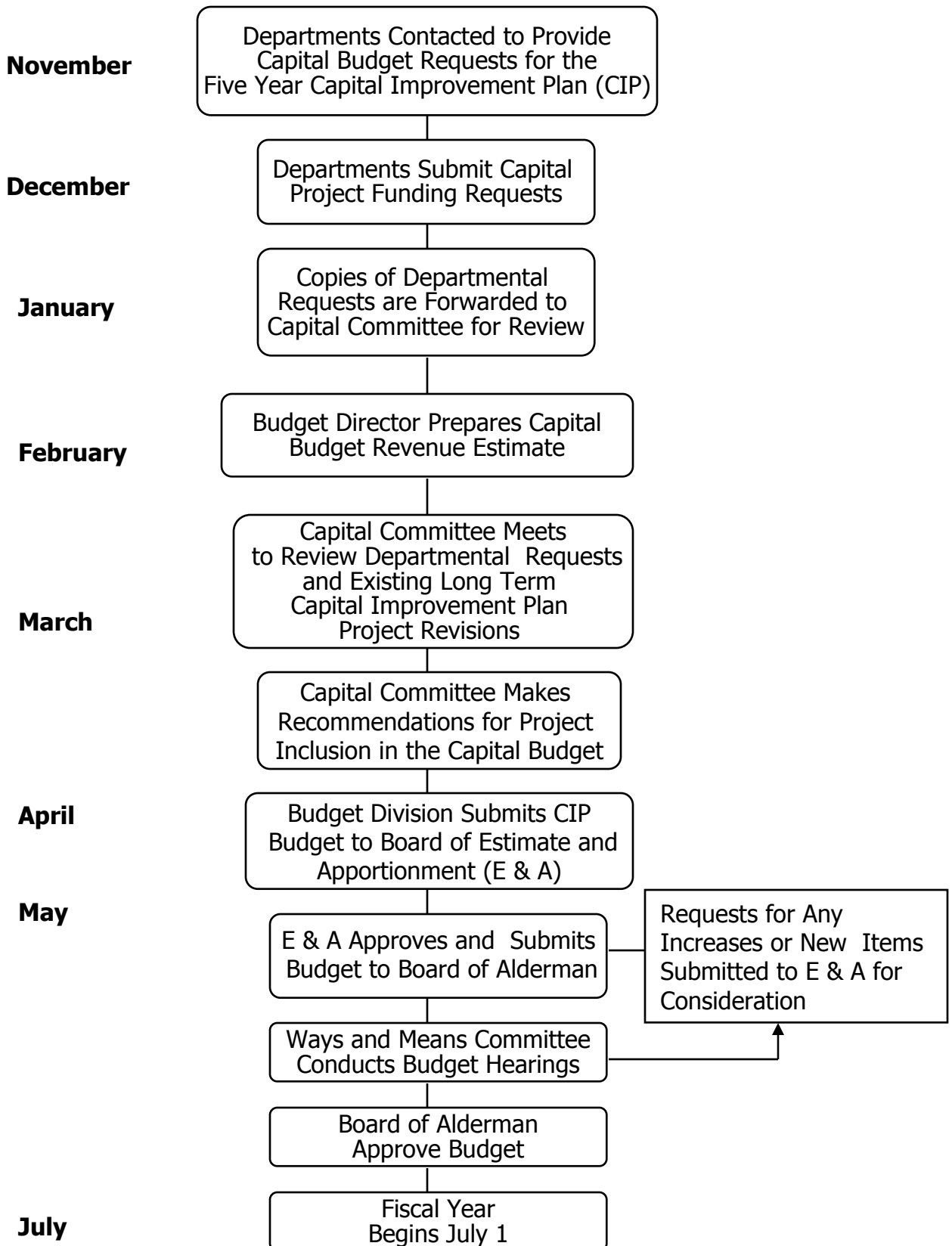
Since the establishment of the Capital Fund in 1989, the City has successfully begun the process of restoring and improving its capital assets. In August 1993, voters passed a one-half cent sales tax dedicated to capital improvement projects. This new source of revenue has greatly enhanced the City's ability to meet its capital needs. Major accomplishments and highlights of St. Louis' capital improvement program are shown on the table on the following page.

This section presents an overview of St. Louis' capital improvement program, including the planning process, the five-year Capital Improvements Plan, and the FY2011 Capital Budget. The entire Capital Improvements Plan, including a budget for each fund, account, and subaccount within the Capital Fund, is presented in a separately bound volume.

CAPITAL PLANNING PROCESS

To address the City's pressing capital infrastructure and equipment needs, the City of St. Louis established capital planning policies and the Capital Fund in 1989. City ordinances require the Budget Division, together with the Capital Committee, to develop a five-year capital improvement plan (CIP) annually. Each year, a Capital Budget must be prepared, based on the first year of the CIP. Both the CIP and Capital Budget must be submitted by the Budget Division to the Board of Estimate and Apportionment and Board of Aldermen for approval. The CIP and Capital Budget are submitted in the same manner and time as the general operating budget of the City.

Capital Improvement Plan (CIP) Budget Process



CAPITAL IMPROVEMENT PROGRAM ACCOMPLISHMENTS

Roads and Bridges

- Replacement of several major bridges in the City, including the Lansdowne Ave, South Kingshighway, Arsenal Street, Morganford, Alabama and Natural Bridge Road.
- Truman Parkway and resurfacing of arterial and residential streets throughout the City.

Neighborhood Stabilization

- Improvements, such as lighting, street resurfacing, and new playground equipment in the City's six major parks and many neighborhood parks
- Enhanced street lighting at all recreation centers, neighborhood parks, community schools and churches throughout the City.
- Demolition of abandoned buildings
- Improvements at the City's recreation centers

Facility Improvements and Equipment Replacement

- Repair, expansion, and construction of City-owned buildings, including the Civil Courts Building, the Justice Center, Carnahan Courthouse and the Police Department Area Command Stations.
- Implementation of a rolling stock replacement program
- Progress toward complying with Federal mandates
- Flood protection projects
- Warning Siren System

The Capital Committee is responsible for the assessment and review of capital needs and must develop and recommend the CIP and Capital Budget. As established by ordinance, the Capital Committee consists of the following members: the Budget Director, who serves as Chairperson, the Community Development Agency Director, the President of the Board of Public Service, the President of the Board of Aldermen (or his designee), one other Alderman appointed by the President of the Board of Aldermen, the Comptroller (or his designee), one other person from the Comptroller's office, the Mayor (or his designee), and the Chairperson of the Ways and Means Committee.

A committee of City residents, the Citizen's Advisory Committee for Capital Expenditures, is involved in the capital planning process. This committee reviews and assesses capital needs, advises the Capital Committee on the development and recommendation of the CIP and Capital Budget, and reviews the City's capital accomplishments.

The Capital Committee selects and prioritizes capital projects using established criteria. The following criteria are used to evaluate projects:

- Capital improvements that will foster St. Louis' goal of preserving and improving municipal buildings and other assets;
- Capital improvements that will foster St. Louis' goal of fiscal stability and soundness;
- Capital improvements that will foster St. Louis' goal of preserving its infrastructure and heritage;
- Projects that reduce the cost of operations or energy consumption;
- Projects that promote operational safety.

In January 1994, the Capital Committee adopted additional selection criteria. Projects are evaluated and funding recommendations are made according to the following priorities:

- 1) Required payment for existing debt service
- 2) Local match amounts for bridge and street improvements et al
- 3) Funding for State and Federal mandates, including underground storage tank abatement, ADA compliance, asbestos and lead paint abatement
- 4) Ongoing replacements necessary for City operations

FIVE-YEAR CAPITAL IMPROVEMENT PLAN

The 2011-2015 Capital Improvements Plan identifies the projects funded in the FY2011 capital budget and those projects scheduled for the next four years. Projects included in the Capital Improvements Plan (CIP) from FY2011-FY2015 have a projected cost of \$320 million. The projects will be funded through a combination of local, state and federal sources. Over the five-year period, approximately \$216 million will be appropriated to pay for the projects. This amount includes outright purchases as well as debt service payments, and in the case of road and bridge projects, the City's local matching share of the total cost.

Projects included in the CIP have been grouped into three major categories. These categories are road and bridge improvements, neighborhood stabilization projects, and facility improvements and equipment replacement. Table I presents a summary of proposed capital projects for the next five years. The projects presented in the FY2011 column represent the FY2011 Capital Budget, while projects in subsequent years will be reviewed and updated on an annual basis. A detailed description of each proposed project is included in the separately bound Capital Improvements Plan.

TABLE I
CAPITAL IMPROVEMENTS PLAN
USE OF FUNDS

		FY2011	FY2012	FY2013	FY2014	FY2015
ROAD AND BRIDGE PROJECTS						
ARTERIAL STREET RESURFACING		0	1,000,000	1,000,000	1,000,000	1,000,000
BRIDGE REPAIR/RESURFACING		0	500,000	500,000	500,000	500,000
BRIDGE RECONSTRUCT/REPLACEMENT (ISTEA)		0	10,850,000	4,000,000	2,600,000	800,000
EQUIPMENT REPLACEMENT (ISTEA)		0	1,230,000	550,000	0	0
STREET RECONSTRUCTION (ISTEA)		0	280,000	220,000	0	0
ROAD AND BRIDGE PROJECTS	Total	\$0	\$13,860,000	\$6,270,000	\$4,100,000	\$2,300,000
NEIGHBORHOOD STABILIZATION PROJECTS						
MAJOR PARKS IMPROVEMENTS (1/2 CENT & METRO & GRANTS)		2,063,800	3,286,200	3,350,700	3,422,200	3,489,400
POLICE DEPARTMENT IMPROVEMENTS		1,431,000	1,431,000	1,432,000	1,431,000	1,432,000
METRO PARKS - (NEIGHBORHOOD PARKS)		859,200	936,400	955,100	974,200	993,700
RECREATION CENTER IMPROVEMENTS		0	836,900	1,027,000	639,100	547,900
WARD IMPROVEMENT PROJECTS		5,360,000	7,829,500	7,982,500	8,138,500	8,298,000
NEIGHBORHOOD STABILIZATION PROJECTS	Total	\$9,714,000	\$14,320,000	\$14,747,300	\$14,605,000	\$14,761,000
FACILITY IMPROVEMENTS AND EQUIPMENT REPLACEMENT						
BUILDING IMPROVEMENTS		491,500	2,001,000	2,241,000	2,241,000	2,241,000
CIVIL COURTS BUILDING IMPROVEMENTS		2,741,000	2,752,000	2,752,000	2,752,000	2,752,000
CARNAHAN COURTHOUSE IMPROVEMENTS		0	0	1,370,000	2,200,000	2,200,000
EQUIPMENT REPLACEMENT		3,119,000	4,120,000	3,880,000	3,880,000	3,880,000
FEDERAL MANDATES		0	350,000	200,000	200,000	150,000
JUSTICE CENTER PROJECT		9,360,000	11,084,000	14,511,000	10,843,000	10,843,000
FACILITY & INFRASTRUCTURE PROJECTS - JUVENILE DETENTION		1,546,000	1,546,000	1,546,000	1,546,000	1,546,000
NEW CONSTRUCTION		568,000	568,000	568,000	568,000	568,000
IMPROVEMENT PROJECTS		0	30,000	30,000	30,000	10,000
FACILITY IMPROVEMENTS AND EQUIPMENT REPLACEMENT	Total	\$17,825,500	\$22,451,000	\$27,098,000	\$24,260,000	\$24,190,000
ENGINEERING, DESIGN AND ADMINISTRATION	Total	\$1,090,000	\$1,120,000	\$1,150,000	\$1,180,000	\$1,210,000
All Capital Improvement Projects		\$28,629,500	\$51,751,000	\$49,265,300	\$44,145,000	\$42,461,000

Road and Bridge Improvement Projects

Most of the costs of the transportation projects are funded through the Federal Surface Transportation Program. The CIP will provide a total of \$20.53 million toward road and bridge improvements over the next five years. This amount will serve as the City's local match for federally funded projects with an estimated value of over \$52.0 million. This represents about 12.5 percent of the total CIP projects either in progress or begun during the five-year-period.

The CIP also includes \$4.0 million for arterial street resurfacing and \$2.0 million for bridge repair/resurfacing. These street and bridge improvements will be funded entirely with City dollars. Prior to the passage of the capital improvement sales tax, many needed arterial street and bridge repairs went undone.

Neighborhood Stabilization Projects

Neighborhood stabilization capital projects include improvements in the City's 28 wards, recreation centers, parks, and Police Department. Approximately \$68.12 million in neighborhood stabilization projects is included in the five-year plan. Proposed five-year plan funding includes the following:

- \$37.61 million for ward improvements
- \$15.61 million for major park improvements
- \$7.16 million for Police Department improvements
- \$3.05 million for recreation center improvements
- \$4.72 million for neighborhood park improvements

The majority of neighborhood stabilization projects will be improvements in the City's neighborhoods and parks. Due to economic conditions, in FY2011, part of the 1/2Cent Sales Tax was reallocated to fund existing debt, thus the amount for Ward projects has been reduced. In an effort to provide funding for Ward projects, \$700,000 from the

Local Park Fund balance will be evenly distributed to the Wards. Each Ward will receive \$191,429 for capital improvements recommended by the Aldermen. In the past, Aldermen have used these funds to resurface residential streets & alleys, improve neighborhood parks, reconstruct alleys, sidewalk & curb replacement, street tree planting and to replace dumpsters.

Facility Improvement and Equipment Replacement

Approximately \$115.84 million in facility improvements and equipment replacement is planned for the next five years. More than 90% of this amount will be expended to retire the debt associated with the downtown Justice Center and the expansion of the Medium Security Institution, the renovations to the Civil Courts Building and the Carnahan Courthouse, the Rolling Stock, Computer Systems, Gateway Transportation Center (Multi-Modal) Facility & Infrastructure Debt Service (Juvenile Detention), 1520 Market (Abram) Building and 911 System debts. The details of individual projects are available in the Capital Improvements Plan presented in a separately bound volume.

Facility improvement and equipment replacement projects proposed in the five-year Capital Improvement Plan include:

- \$56.64 million for the MSI expansion and Justice Center financing
- \$13.75 million for renovations & financing of the Civil Courts building
- \$5.77 million for renovations & financing of the Carnahan Courthouse
- \$14.40 million for rolling stock, 911 systems and computer equipment replacement
- \$5.29 million for renovations & financing of the Gateway Transportation Center (Multi-Modal) & 1520 Market (Abram) Building
- \$7.73 million for Facility & Infrastructure debt Service (Juvenile Detention)
- \$7.61 million for Federal mandate compliance, repairs to City buildings and other projects

Funding Sources

The capital projects included in this plan will be financed through a combination of local, state, and federal sources. Table II presents a summary of estimated resources available for capital expenditures for the next five years. A brief description of the funding sources follows.

TABLE II
CAPITAL IMPROVEMENTS PLAN
SOURCE OF FUNDS

	FY2011	FY2012	FY2013	FY2014	FY2015
1/10 Cent Sales Tax for Metro Parks (40% Major Parks)	612,000	624,200	636,700	649,400	662,400
1/10 Cent Sales Tax for Metro Parks (60% Neighborhood Parks)	918,000	936,400	955,100	974,200	993,700
1/10 Cent Sales Tax for Metro Parks - Beginning Balance	-98,000	0	0	0	0
1/2 Cent Sales Tax for Capital Improvement	16,450,000	16,779,000	17,115,000	17,457,000	17,806,000
1/2 Cent Sales Tax for Capital Improvement - Beginning Balance City Wide	-208,000	0	0	0	0
1/2 Cent Sales Tax for Capital Improvement - Beginning Balance Major Parks	-178,500	0	0	0	0
1/2 Cent Sales Tax for Capital Improvement - Beginning Balance Recreation Center	-31,500	0	0	0	0
1/2 Cent Sales Tax for Capital Improvement - Beginning Balance Ward Accounts	-525,000	0	0	0	0
1/2 Cent Sales Tax for Capital Improvement - Police Capital Beginning Balance	-105,000	0	0	0	0
Beginning Balance (Debt Service Reserve Earnings)	0	25,000	25,000	25,000	25,000
Courthouse Restoration Fund - Municipal Courts	150,000	260,000	260,000	260,000	260,000
Courthouse Restoration Fund - State Courts	1,250,000	1,325,000	1,325,000	1,325,000	1,325,000
Gasoline Tax Revenue - (County Share)	630,000	630,000	630,000	630,000	630,000
General Fund Transfer - Carnahan Courthouse Debt Service	0	0	1,370,000	2,200,000	2,200,000
General Fund Transfer -Justice Center Lease Payment	2,674,000	5,600,000	5,600,000	5,600,000	5,600,000
General Fund Transfer for Civil Courts Debt	0	1,230,000	1,230,000	1,230,000	1,230,000
Income from Sale of City Assets	350,000	350,000	350,000	350,000	350,000
Local Park Fund	700,000	0	0	0	0
Reallocated Recreation Center Project Funds	761,000	0	0	0	0
Transfer from Gaming Revenue Fund	5,285,000	6,000,000	6,000,000	6,000,000	6,000,000
TOTAL SOURCES OF REVENUE	\$28,634,000	\$33,759,600	\$35,496,800	\$36,700,600	\$37,082,100

Local Sources

The major local funding source is the one-half cent sales tax for capital improvements. This tax was passed in 1993 and should provide about \$85.58 million over the next five years and \$16.45 million this year for capital improvements. Proceeds from the capital improvement sales tax are distributed among the City's 28 wards (50%), citywide improvements (20%), major parks (17%), the Police Department (10%), and recreation centers (3%). However, due to the recent economic downturn, the FY2011 Beginning Balances from the ½ Cent Sales Tax are behind estimates by \$1.05 million and will be distributed as detailed in the exhibits. In addition to the Beginning Balances, \$3.87 million of the ½ Cent Sales Tax was reallocated to fund existing debt.

In the past, the City's General fund, supported by local taxes and fees, contributes to the Capital Fund. In FY2011, the general fund budget will include a transfer of \$2.67 million to the Capital Fund. Additional local revenue of approximately \$350,000 is expected from the sale of assets. In FY2011 the balance of \$700,000 from the Local Park Fund and \$761,000 from the reallocation of the Recreation Center Project Funds is being used to offset the reductions in other sources of funds.

In FY2002, the City Parks and Recreation system began receiving funds from the regional 1/10 Cent Metro Parks Sales Tax. Over the next five years, the City's portion of the tax will be approximately \$7.94 million with 40% going to the major parks and 60% going to the neighborhood parks. In FY2011, the City's portion of the tax will be approximately \$1.53 million, less the Beginning Balance of \$98,000.

In FY2002, the City passed an ordinance imposing court costs of \$5.00 on certain cases adjudicated in Municipal Courts. In FY2011, revenue from these cases is estimated to be \$150,000 annually and will be used to offset debt service financing to provide improvements at City owned courthouses.

Also, if any general fund operating surpluses or balances become available in future years, the City will budget these funds in the Capital Budget on a year-by-year basis. Revenue derived from riverboat gaming is discussed later in this section.

State Sources

The Capital Fund receives funding through several taxes and fees imposed by the State of Missouri. The City has allocated a portion of the proceeds of the statewide gasoline tax to be used for capital improvements. In FY2011, \$630,000 in gasoline tax revenues will be transferred to the Capital Fund. These revenues are used to help fund the City's local match requirements on bridge replacement and street repair projects financed through the Federal STP program.

In 1995 the state legislature imposed an additional \$35 court filing fee on cases filed in the 22nd Judicial Circuit Court in St. Louis. The fee has since been raised to \$45 per case. Revenues generated from this filing fee are being used to assist in financing renovations to the Civil Courts Building. This additional filing fee generates about \$1.25 million annually.

Federal Sources

The City of St. Louis relies heavily upon Federal funding to finance its road and bridge improvement projects. Federal funding is available through the Surface Transportation Program (STP), which was established through the Intermodal Surface Transportation Efficiency Act (ISTEA & TEA-21). The ISTEA program provides 75 to 100 percent of the cost of major bridge renovation or replacement projects and certain street improvement projects. The St. Louis Metropolitan region receives approximately \$14 million annually in such matching funds and is currently on a three year planning cycle.

Gaming Revenues

Currently, the City benefits from three direct sources of gaming revenues. The first is a 10% share of the state tax on gaming adjusted gross receipts (AGR). With the state tax set at 20%, the City's share is equal to 2% of AGR. The state also imposes a two-dollar fee for all admissions to a gaming boat, with the City receiving one-half of this fee, or a dollar per admission. A third source of revenue is the lease between the City's Port Authority and the riverboat operator. Pinnacle Casinos, the owner of both the President as well as the Lumiere gaming facility on Laclede's Landing, recently announced the planned closing of the President casino as of July 1, 2010. The closing of this facility is estimated to result in the loss of \$2M per year in gaming and lease revenue receipts. Meanwhile, the Lumiere which opened in December, 2008 has significantly increased the City's gaming revenues in recent years. The recent opening of a third gaming facility just outside the south City limits in March, 2010 is expected to draw some business from the downtown location. This will be offset in part by a payment of \$1M per year due from Pinnacle as part of the development agreement for this new facility. Overall, gaming revenues are expected to total close to \$11M in FY2011 or about \$2M less than the prior year. Of this total, \$5.29 million in revenues will be appropriated to the Capital Fund

In appropriating these revenues the City has opted for a spending formula that maximizes the impact of these receipts without making ongoing City operations dependent on the success of the gaming industry. By state statute, the 2% of AGR the City receives from the state is set aside for use in providing services necessary for the safety of the public visiting gaming boats. Funds from this source are therefore appropriated primarily for Police Department services on the riverfront and for riverfront street lighting, and public right-of-way improvements. Revenue from the admission fee is unrestricted as to use and will be used to supplement funds available for capital improvement projects and to further economic development efforts.

FY2011 CAPITAL BUDGET

The capital budget for FY2011 is \$28.6 million. Table III presents a summary of the FY2011 capital budget. Citywide capital projects comprise over 62% of the total capital budget and ward improvement projects are about 18% of the budget. The remainder is divided among major parks, recreation centers, and the Police Department. The one-half cent sales tax for capital improvements is the largest source of capital funding and will provide approximately \$16.45 million in revenue for capital improvements in FY2011. However, due to the recent economic downturn and declines in sales tax receipts, the FY2011 Capital Budget will address negative beginning balances of an estimated \$1.05 million distributed among accounts as detailed in the exhibits. Other major sources of funding include the sale of assets, court fees, gasoline tax revenues, and gaming revenues and for FY2011 only, the Local Park Fund and Recreation Center Project Funds.

The FY2011 capital budget is about 20% lower than the previous year's budget. The decline in both the ½ cent sales tax and 1/10 cent metro parks sales tax receipts as well as the proposed reallocation of approx. \$3.86M in ½ cent sales tax allocations to offset the general fund subsidies as a means of addressing the budget gap are primary reasons for this decline. Also, in FY2011, debt service for the Carnahan Courthouse is being funded from released project funds, and funding for various Road & Bridge projects has been deferred. Funds available for Neighborhood Stabilization projects supported by the sales tax for capital improvements are 29% lower than in FY2010, this is due in part to negative beginning balances from various ½ Cent Sales Tax accounts, as noted earlier and the reallocation of a portion of the ½ Cent Sales Tax funds to cover existing debt.

The major areas of capital improvement spending are summarized in the following table. A more detailed break down of the sources and uses of funds are listed in the exhibits at the end of this section. A complete detail of the five-year Capital Improvements Plan (CIP) can be found in a separate volume.

TABLE III
FY11 CAPITAL BUDGET

	FY10 Budget	FY111 Budget
SOURCES		
Capital Improvement Sales Tax	17,400,000	16,450,000
Metro Parks Sales Tax	1,618,000	1,530,000
Metro Parks Sales Tax - Beginning Balance	0	(98,000)
Capital Improvement Sales Tax - Police Beginning Balance	(40,000)	(105,000)
CityWide Capital Existing Balance	(132,000)	(208,000)
Capital Improvement Sales Tax - Parks Beginning Balance	(607,000)	(178,500)
Capital Improvement Sales Tax - Rec Centers Beginning Balance	0	(31,500)
Capital Improvement Sales Tax - Wards Beginning Balance	(88,000)	(525,000)
Gaming Revenues	8,350,000	5,285,000
Gasoline Tax - (County Share)	630,000	630,000
General Fund Transfer - Justice Center Lease Payment	5,600,000	2,674,000
General Fund Transfer - Caranahan Courthouse Debt Service	581,000	0
Courthouse Restoration Funds	1,520,000	1,400,000
Prior Year Lease Payment Balances	325,000	0
Local Park Fund	0	700,000
Reallocated Recreation Center Project Funds	0	761,000
Income from Sale of City Assets	350,000	350,000
Total Sources	35,507,000	28,634,000
USES		
Citywide		
Existing Debt	20,486,000	17,825,500
Total Citywide	20,486,000	17,825,500
Engineering, Design and Administration	1,090,000	1,090,000
Ward Improvements	8,067,000	5,360,000
Major & Neighborhood Parks Debt & Improvements	3,783,500	2,923,000
Police Department Improvements	1,591,000	1,431,000
Recreation Center Improvements	489,000	0
	15,020,500	10,804,000
Total Uses of Funds	35,506,500	28,629,500
Operating Balance	\$500	\$4,500

Citywide

Approximately \$17.83 million in citywide capital improvement projects are funded for FY2011. Highlights for FY2011 include:

- \$5.33 million in lease purchase payments for the renovation of the Civil Courts Building, 1520 Market (Abram) Building, Gateway Transportation Center (Multi-Modal Station) and Facility & Infrastructure (Juvenile Detention) Projects
- \$3.19 million for the debt service for the rolling stock replacement program, computer equipment and the 911 System upgrades
- \$9.36 million for Justice Center Debt Service

Citywide capital projects are funded from two funds, the Capital Improvement Project Fund (Fund 1217) and the Capital Improvements Sales Tax Trust Fund (Fund 1220). Exhibits A and B present the capital budgets for each of these funds.

Ward Improvements

In FY2011 due to the economy, \$5.18 million from the ½ Cent Sales Tax and adjusted by a negative \$525,000 from the beginning balance of their accounts will be appropriated for ward improvements and due to the relocation of a portion of the ½ Cent Sales Tax funds to cover existing debt. Each of the 28 Wards will receive \$166,429, after beginning balance adjustments, for capital improvements recommended by the Aldermen and \$25,000 for Ward park projects from the Local Park fund. Projects typically include improvements in neighborhood parks, residential street & alley resurfacing, repairs to streets & alleys, street lighting enhancement, and dumpster replacement. Ward projects are funded by the Capital Improvements Sales Tax Trust Fund (Fund 1220). Exhibit C presents the capital budget for this section.

Major Parks

The City's major parks will receive approximately \$2.28 million in FY2011 for capital improvement projects from ½ Cent and Metro Parks sales tax with the amount adjusted by a negative \$217,700 from the beginning balance of their accounts. The distribution of

these funds among the parks is normally based upon the acreage, however due to revenue shortfalls in FY2010 and lower amounts for FY2011 the allocation for the ½ Cent funds was made to satisfy existing debt requirements. Exhibits D and H presents the capital budgets for this section. The FY2011 Capital Budget appropriates the following amounts:

Forest Park	\$1,842,126
Tower Grove Park	\$74,464
Carondelet Park	\$48,688
Fairground Park	\$35,514
O'Fallon Park	\$34,368
Willmore Park	\$28,640

Recreation Centers

Due to fiscal constraints no funds are appropriated this fiscal year for capital improvements at recreation centers from the ½ Cent Sales Tax funds. Exhibit E presents detail on the FY2011 capital budget for recreation centers.

Police Department

A portion of the capital improvement sales tax allocated to the Police Department will be used for debt service payment scheduled for FY2011 is approximately \$1.54 million with the amount adjusted by a negative \$105,000 from the beginning balance. Funds remaining after paying debt service will be used for lease payments on the Justice Center and will fund the Microwave Communications System lease payment. Exhibit F presents the capital budget for this section.

Metro Parks – Neighborhood Parks

In addition to the major parks, various neighborhood parks and recreation centers will benefit from the new Metro Parks sales tax. In FY2011 the tax will provide \$859,200 which will be used to begin improvement projects at various locations selected by the Parks Committee. Exhibit I will present the project details on the FY2011 capital budget for Neighborhood Parks, when finalized by the Parks Committee.

Capital Improvements Plan - Impact on Operations

One of the criteria used in developing the City's Capital Improvements Plan is based on the impact a capital project may have on current and future operating budgets. Knowing to what extent a given project will increase or decrease future operating costs provides the opportunity to plan ahead once the project is approved and funded. For the most part, projects such as road and bridge improvements, building improvements and rolling stock replacement effectively improve the City's infrastructure and reduce the strain on resources dedicated for street, building and vehicle maintenance. Of course with the increase in the number of projects made possible by 1/2-cent sales tax proceeds, more operating funds have been allocated in recent years for design and engineering. For example, the Board of Public Service staff increased to address increased demand of design work and project management. The enhanced lighting program has increased the City's energy costs but the conversion to LED traffic signal lights has reduced the electrical costs. The completion of a salt storage facility and roof repairs to smaller storage units should reduce run-off and decrease the amount of salt purchased. While the operating budget impact of this kind of capital spending is not project specific, other large capital projects such as the downtown City Justice Center, Gateway Transportation Center and take over of the Caranahan Courthouse will have a unique and sometimes identifiable impact on the City's general fund budget. With the opening of the Abram Building and the consolidation of numerous departments at that location, the City will receive the benefits of reduction of the costs for rental space and an improved environment for those departments and the Citizens they serve. The following is a summary of projects from the FY2011 Capital Budget that have or will have known impacts on current or future operating costs.

CAPITAL IMPROVEMENTS PLAN - IMPACT ON OPERATIONS SUMMARY

Project / Division

Operating Budget Impact

Ward Capital Projects

Street Division

The Street Division provides the labor, engineering, design and project management services for the Ward Capital funded paving, street & sidewalk projects. These projects are small in size but collectively they involve a major portion of the departments operational costs. To offset these costs the Capital Budget reimburses the department for a portion of their labor costs as noted below.

Public Works Projects &

Ward Capital Projects

Board of Public Service (BPS)

The Board of Public Service (BPS) provides the engineering, design and project management services for the City's public work projects and the Ward Capital projects. Many of these projects are small in size and have little impact on the operating budget, however collectively the need to design and manage a greater number of projects has led to increases in the operating budget for BPS. To offset these costs the Capital Budget reimburses the department for a portion of their labor costs, as noted below.

LED Traffic Signal Upgrades

Streets - Traffic & Lighting

With a loan from the Missouri Department of Energy the Traffic Signal division of the Street Department has replaced the majority of traffic signal lamps with LED type units. These LED type lamps have a longer operational life and reduced voltage requirements. Part of the final payment for Phase I of the project was completed in FY10, with the Phase II payments until FY13. The repayment costs of the loan are offset by the reduced utility costs and labor savings due to the functional life of the units, as noted below.

Civil Courts Debt Service & Improvements

City-Wide Accounts

Of the \$2.75M in annual debt service required to retire the debt on the FY94 Civil Courts building improvement lease, \$1.58M is funded by court fees specifically dedicated to the building improvements. The balance has been funded from other capital revenues.

Justice Center

City-Wide Accounts, Dept of Public Safety & Facilities Management

The annual debt service on the Justice Center totals approx. \$11.38M The facility has also benefited from the rental of bed space to the U.S. Federal Marshal Service, with an estimated revenue of \$1.0M annually. The City has gained added detention capacity with this facility which has an operating budget of \$17.4M. The Facilities Management Division is incurring an increase in operating costs for maintenance and has additional utility costs of approximately \$925,000 for this facility.

Carnahan Courthouse Debt Service & Improvements

City-Wide Accounts, Board of Public Service, Facilities Management & Circuit Courts

In the spring of 2001, the City acquired the Carnahan Courthouse (Old Federal Courthouse) adjacent to the City's new Justice Center. The debt service on the Carnahan Courthouse renovation totals approx. \$1.15 million. The Board of Public Service is experiencing design and management costs associated with repairs and renovations required. The Circuit Courts is incurring operational costs for building maintenance of \$825,000 and Facilities Management Division is incurring utility costs of approximately \$740,000 for the additional facility.

Abram Building Debt Service & Improvements

City-Wide Accounts & Facilities Management

In the spring of 2009, the City Departments have begun to occupy this facility, the building will allow Departments who are currently in rental space or in substandard facilities to move to a more modern facility. The debt service totals approx. \$0.5 million. It is expected that the operational costs of the facility will be approx. \$1.9 million annually. This facility will allow the City Courts to move from rental space and the Health Department to move from an antiquated building and be more centrally located to other government operations.

CAPITAL IMPROVEMENTS PLAN - IMPACT ON OPERATIONS SUMMARY

Project / Division

Operating Budget Impact

Gateway Transportation Center Debt Service & Improvements

City-Wide Accounts &
Facilities Management

In 2009, the City opened the Gateway Transportation Center, which will provide a connection point for surface transportation in the area. The debt service totals approx. \$0.6 million. It is expected that the operational costs of the facility will be offset by revenues generated. In FY10 the General Fund provides a subsidy of \$250,000 for operational costs

Facility & Infrastructure Debts Service (Juvenile Detention)

In FY09 the Facility & Infrastructure Debt Service, funded by the Capital Budget, provided \$4.5 million for HVAC, Plumbing and Electrical Remediation at the facility. The Capital Budget provides the funding for the Facility & Infrastructure Debt Service of \$1.55 million annually. This funding has allowed for numerous needed repairs and renovations in many City facilities.

Project / Division

FY11

FY12

FY13

FY14

FY15

Public Works & Ward Capital Projects

Street Division - Street Projects	\$900,000	\$900,000	\$900,000	\$900,000	\$900,000
Street Division - Capital Reimbursements	(440,000)	(460,000)	(475,000)	(485,000)	(500,000)
BPS - Ward & Public Works Projects	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000
Board of Public Service - Capital Reimbursements	(650,000)	(660,000)	(675,000)	(695,000)	(710,000)

LED Traffic Signal Upgrades

Streets - Traffic & Lighting	133,000	133,000	133,000	0	0
Streets - Traffic & Lighting - Utility Costs	(114,000)	(120,000)	(126,000)	(132,000)	(138,000)

Civil Courts Debt & Improvements

City-Wide Accounts	0	1,180,000	1,180,000	1,180,000	1,180,000
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Justice Center

City-Wide Accounts	2,674,000	5,600,000	5,600,000	5,600,000	5,600,000
Facilities Management	925,000	950,000	975,000	1,000,000	1,025,000

Carnahan Courthouse Debt & Improvements

City-Wide Accounts	0	0	1,370,000	2,200,000	2,200,000
Facilities Management	740,000	760,000	780,000	800,000	820,000
Circuit Courts	825,000	850,000	875,000	900,000	925,000

Abram Building Debt Service & Improvements

Operational Costs	1,900,000	1,930,000	1,960,000	1,990,000	2,020,000
Rental & Operational Costs Savings	(500,000)	(500,000)	(500,000)	(500,000)	(500,000)

Gateway Transportation Center Debt Service & Improvements

City-Wide Accounts	0	568,000	568,000	568,000	568,000
Operational Subsidy	225,000	200,000	200,000	200,000	200,000

Facility & Infrastructure Debts Service (Juvenile Detention)

City-Wide Accounts	0	1,546,000	1,546,000	1,546,000	1,546,000
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\$7,718,000	\$13,977,000	\$15,411,000	\$16,172,000	\$16,236,000
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EXHIBIT A
FY11 CAPITAL BUDGET
CITYWIDE ACCOUNT (FUND 1217)

SOURCES OF FUNDS:

Gaming Revenues - Admissions Receipts	5,285,000
General Fund Transfer - Justice Center Lease Payment	2,674,000
Gasoline Tax - (County Share)	630,000
Courthouse Restoration Fund - Municipal Courts	150,000
Courthouse Restoration Fund - State Courts	1,250,000
Income from Sale of City Assets	350,000

Total Funds Available for Appropriation	10,339,000
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USES OF FUNDS:

Existing Debt	10,334,500
Civil Courts Lease Payment	2,741,000
Justice Center Debt Service	4,749,000
Facility & Infrastructure Debt Service	
Juvenile Detention Center	1,546,000
Gateway Transportation Center Debt Service	568,000
1520 Market Building Debt Service	491,500
911 System Upgrade Debt Service	239,000

Total Uses of Funds	10,334,500
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ESTIMATED YEAR END SURPLUS (DEFICIT)	\$4,500
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EXHIBIT B
FY11 CAPITAL BUDGET
CITYWIDE ACCOUNT (FUND 1220)

SOURCES OF FUNDS:

Capital Improvement Sales Tax	3,072,000
Reallocated Recreation Center Project Funds	761,000
Reallocated Capital Sales Tax	3,866,000
CityWide Capital Existing Balance	(208,000)

Total Funds Available for Appropriation	7,491,000
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USES OF FUNDS:

Existing Debt		4,611,000
Justice Center Debt Service	4,611,000	
Rolling Stock Replacement Program / Computer Equipment		2,880,000
and Systems Debt Service	2,731,000	
Desktop Computers	149,000	

Total Uses of Funds	7,491,000
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ESTIMATED YEAR END SURPLUS (DEFICIT)	\$0
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EXHIBIT C
FY11 CAPITAL BUDGET
WARD IMPROVEMENTS ACCOUNT (FUND 1220)

SOURCES OF FUNDS:

Capital Improvement Sales Tax	5,185,000
Local Park Fund	700,000
Beginning Balance	(525,000)

Total Funds Available for Appropriation	5,360,000
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USES OF FUNDS:

Neighborhood Park Improvements Metro Parks Match	83,550
Local Park 1/8 Cent Metro Parks Match	255,250
Local Park 1/8 Cent Park Improvements	444,750
Contingency for Future Projects	4,576,450

Total Uses of Funds	5,360,000
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ESTIMATED YEAR END SURPLUS (DEFICIT)	\$0
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EXHIBIT D
FY11 CAPITAL BUDGET
MAJOR PARKS ACCOUNT (FUND 1220)

SOURCES OF FUNDS:		
Capital Improvement Sales Tax	1,669,500	
Beginning Balance	(178,500)	
Total Funds Available for Appropriation		1,491,000
USES OF FUNDS:		
FOREST PARK SUBACCOUNT (FUND 1220)		
Debt Service On Forest Park Bonds	1,368,000	
Bridge Replacement (Carr Lane / Liberal Arts Bridge)	123,000	
Total Uses of Funds		1,491,000
ESTIMATED YEAR END SURPLUS (DEFICIT)		\$0

EXHIBIT E
FY11 CAPITAL BUDGET
RECREATION CENTER ACCOUNT (FUND 1220)

SOURCES OF FUNDS:

Capital Improvement Sales Tax	31,500	
Beginning Balance	(31,500)	

Total Funds Available for Appropriation		0
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USES OF FUNDS: Capital Improvement Sales Tax

Total Uses of Funds		0
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ESTIMATED YEAR END SURPLUS (DEFICIT)		\$0
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EXHIBIT F
FY11 CAPITAL BUDGET
POLICE DEPARTMENT ACCOUNT (FUND 1220)

SOURCES OF FUNDS:

Capital Improvement Sales Tax	1,536,000
Capital Improvement Sales Tax - Police Beginning Balance	(105,000)

Total Funds Available for Appropriation	1,431,000
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USES OF FUNDS: Capital Improvement Sales Tax

Debt Service for Police Capital Improvements	1,311,000
Microwave Communications System Lease Payment	80,000
Debt Service for Justice Center	40,000

Total Uses of Funds	1,431,000
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ESTIMATED YEAR END SURPLUS (DEFICIT)	\$0
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EXHIBIT G
FY11 CAPITAL BUDGET
ENGINEERING, DESIGN AND ADMINISTRATION (FUND 1220)

SOURCES OF FUNDS:	
Capital Improvement Sales Tax	1,090,000
Total Funds Available for Appropriation	\$1,090,000
USES OF FUNDS:	
Engineering, Design and Administration- BPS	650,000
Engineering, Design and Administration - Street Dept	440,000
Total Uses of Funds	1,090,000
ESTIMATED YEAR END SURPLUS (DEFICIT)	\$0

EXHIBIT H
FY11 CAPITAL BUDGET
METRO PARKS - MAJOR PARKS ACCOUNT (FUND 1219)

SOURCES OF FUNDS:

Capital Improvement Sales Tax	612,000
Beginning Balance	(39,200)

Total Funds Available for Appropriation	572,800
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USES OF FUNDS:

FOREST PARK SUBACCOUNT (FUND 1219)

Dual Path Phase II	351,126
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TOWER GROVE PARK SUBACCOUNT (FUND 1219)

Misc. Building and Park Projects (TBD)	74,464
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CARONDELET PARK SUBACCOUNT (FUND 1219)

Rehab Holly Hills Drive (Grand to Holly Hills)	48,688
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FAIRGROUND PARK SUBACCOUNT (FUND 1219)

Skating Rink Improvements	35,514
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O'FALLON PARK SUBACCOUNT (FUND 1219)

Landscaping	34,368
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WILLMORE PARK SUBACCOUNT (FUND 1219)

ADA Upgrade to Tennis Court Comfort Station	28,640
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Total Uses of Funds	572,800
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ESTIMATED YEAR END SURPLUS (DEFICIT)	\$0
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EXHIBIT I
FY11 CAPITAL BUDGET
METRO PARKS - NEIGHBORHOOD PARKS ACCOUNT (FUND 1219)

SOURCES OF FUNDS:		
Metro Parks Sales Tax - (Neighborhood Parks Portion)	918,000	
Beginning Balance	(58,800)	
Total Funds Available for Appropriation		859,200
USES OF FUNDS: Metro Parks Sales Tax		
Park	Projects	
SOULARD PARK	Replace Pea Gravel with Rubberized Surface	75,000
FANETTI PLAZA	Install Shelter, Fountain & Seating	56,250
JOE LEISURE PARK	Replace Park Benches and Reforestation	11,250
CHOUTEAU PARK	Park Development	67,000
SHERMAN PARK	Install New Playground	93,750
TERRY PARK	Construct Gazebo	65,250
MARQUETTE PARK	Replace Pea Gravel with Rubberized Surface	55,500
HAMILTON HEIGHTS PARK	Install Access Road to Restroom Building	18,750
	Install New Playground	93,750
LINDENWOOD PARK	Playground Renovation	93,700
AMBERG PARK	Develop a Dog Park, Community Garden, Install a Pavilion, Fencing and Children's Play Area	64,000
GWEN GILES PARK	Playground Renovation	52,500
DWIGHT DAVIS PARK	Total Rehabilitation of Park	112,500
Total Uses of Funds		859,200
ESTIMATED YEAR END SURPLUS (DEFICIT)		\$0

